

## **Health Insurance Flexibility and Accountability (HIFA) Initiative Fact Sheet**

**State:** Maine  
**Name of Proposed Program:** Maine HIFA Proposal  
**Date Received:** February 22, 2002  
**Date Approved:** September 13, 2002  
**Date Implemented:** October 1, 2002

### **SUMMARY**

The State will expand health insurance coverage to childless adults with incomes at or below 125 percent of the Federal poverty level (FPL) by redirecting a portion of its disproportionate share hospital (DSH) allocation to cover this population.

### **EXISTING MEDICAID PROGRAM**

The expansion population will have the same benefit package and use the same enrollment and service delivery system as the Maine Medicaid program, known as MaineCare. Maine successfully used this approach when it implemented its State Children's Health Insurance Program (SCHIP) in 1998.

### **HIFA PROPOSAL DETAILS**

#### **Number of individuals to be covered:**

11,500

#### **New population included in proposal:**

Childless Adults

#### **Income limit for new eligibles:**

Phase 1: At or below 100 percent FPL

Phase 2 (after year 1): At or below 125 percent FPL

#### **Funding source for amendment:**

The State submitted a DSH SPA which was approved simultaneously with the waiver, which allows them to re-direct DSH payments that are a part of the State plan.

#### **Will the program be capped? If yes, provide details.**

The dollar limit cap is equal to the amount of future State Legislative appropriations. If expenditures are expected to fall below the program budget, the State plans to adjust the income

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eligibility level to keep participants and expenditures within the amount permitted by available funds.

**Benefit package:**

The benefit package will be the same as that provided through Maine's Medicaid Program, MaineCare. This is the same as the benefit package in place for the existing SCHIP program, which includes inpatient, outpatient, physician surgical and medical services, laboratory and x-ray services, pharmacy, and all other Medicaid benefits in the approved State Plan.

**Cost sharing:**

Nominal MaineCare copayments will be required. These are the same copayments paid by the non-expansion MaineCare population, and no waiver is required.

**Delivery system:**

The HIFA demonstration will utilize the same delivery system as Maine's current Medicaid program, MaineCare.

**Coordination with private insurance:**

Maine administers a Private Health Insurance Premium Program that pays insurance premiums for MaineCare members who meet certain criteria based upon guidelines established by CMS. The State determines if it is cost effective for MaineCare to pay members premiums for private insurance. To the extent possible, the State plans to use employer-sponsored insurance for the expansion population

**Methodology for tracking rate of uninsured:**

Current Population Survey (CPS) with adjustments, for rate of uninsurance and administrative records.

**Rates of uninsurance:**

The rate of uninsurance for individuals below 200% of poverty is 24.37%.

**State's goal for reducing the rate of uninsurance:**

Maine plans to reduce the uninsurance rate by 3 percent.

**Estimated five-year cost of amendment (federal funds, including administration):**

Title XIX: \$167,831,259